

### **REMARKS**

Presently, claims 1-10, 12-18, 60 and 62-105 are pending in the application. A Request for Continued Examination (“RCE”) under 37 C.F.R. §1.114 is being filed herewith. Two Declarations under 37 C.F.R. §1.132 of Charles A. Eldering and Bernardo Paratore, respectively, are being submitted herewith.

New claims 104 – 105 have been added. Support for the features of new dependent claims 104 – 105 may be found, for example, in Figs. 5a and 5B and at pages 25 – 26 of the specification. Accordingly, no new matter has been added to the application by the foregoing amendments.

Discussion of the prior art references and the pending claims may be found in Applicants’ Amendment Accompanying RCE, filed September 22, 2006 (“RCE Amendment”) and Applicants’ Request for Reconsideration, filed May 29, 2007 (“Reconsideration Request”), both of which are incorporated herein by reference.

### ***No Prima Facie Obviousness***

Applicants respectfully submit that the Examiner has not established a *prima facie* case of obviousness in the rejection of claims 1, 2, 7, 8, 10, 12 – 18 and 60 and 62 – 93 and 97 – 103 under 35 U.S.C. §103(a) as being unpatentable over U.S. Patent No. 6,698,020 to Zigmond *et al.* (“Zigmond”) in view of U.S. Patent No. 6,119,098 to Guyot *et al.* (“Guyot”) and further in view of U.S. Patent Publication No. 2003/0200128 A1 Doherty (“Doherty”). For at least the reasons set forth below, as well as in the Declarations of the Charles A. Eldering and Bernardo Paratore submitted herewith, the rejection is respectfully traversed.

### **1. The Combination of References Does Not Teach or Suggest All Claim Elements**

When making a rejection under 35 U.S.C. § 103, the prior art references, when combined, must teach or suggest all of the claim limitations. *See* MPEP 2143.03.

Applicants respectfully submit that the combination of Zigmond, Guyot and Doherty, even if proper, fails to teach or suggest all of the features of independent claim 1.

Initially, Applicants disagree with the Examiner's assertion at page 2 of the Final Rejection that Applicants have argued against the obviousness rejection by attacking the references individually. Rather, Applicants have pointed out that the references do not teach or suggest certain features as contended by the Examiner, and, therefore, cannot possibly teach or suggest such features, even when combined as proposed by the Examiner.

***Zigmond Does Not Teach or Suggest "selling slots to third parties"***

In the Final Rejection, the Examiner continues to rely on column 8, lines 22 – 29 of Zigmond as evidence that Zigmond teaches the sale of specific slots to third parties (see page 4 of the Final Office Action). However, the relied-on portion of Zigmond teaches:

In another embodiment, a third party advertisement content provider makes the advertisements available to the advertisement source 62 and the ad insertion device 60. In this case, the third party advertisement content provider typically contracts with the advertisers to provide a predetermined type or number of advertisement exposures for the advertisers. (column 8, lines 22 – 29)

This portion of Zigmond does not support the notion that specific slots are sold to advertisers or any other third party. Here, Zigmond merely teaches that there may be a contractual relationship between the content provider and the advertisers, such that the advertisers have an agreed-upon number of advertisement opportunities for their ads, or that advertisers pay an agreed-upon price to display their ads, or that the advertiser's ads are displayed during a particular program. In sum, in Zigmond, advertisers have the ability to pay to have their advertisements shown to consumers. However, the advertisers in Zigmond are not able to *purchase specific slots*, as argued by the Examiner. The mere

teaching of a “contractual relationship” has no bearing on whether a particular slot is sold or not. In fact, the notion that the advertisers in Zigmond purchase a certain number of display instances or contract for display during a certain program is indicative of the advertiser not being able to purchase a specific slot, but rather, Zigmond’s system making the determination as to which advertisement is inserted at which particular point.

The Examiner also relies on column 14, lines 17 – 21 as teaching that advertisers may select and pay to have their advertisement immediately follow a competitor’s ad (see pages 2 and 4 of the Final Office Action). This contention is simply incorrect, however, when Zigmond is read in context:

Alternatively, an advertiser may wish to display an advertisement to a viewer directly after an advertisement of a competitor in order to highlight the competitive advantages of its goods or services. Such flexibility allows advertisers to display their advertisements at a time that is likely to provide the greatest impact on the viewer. The ad selection criteria may further be used to choose advertisements based on the content of recently displayed advertisements. For example, an advertiser for one car manufacturer may want to preclude advertisements from other automobile manufacturers. (column 14, lines 13-21, emphasis added)

Zigmond thus teaches the use of ad selection criteria to select advertisements based on the content of recently displayed advertisements – not based on a sale of specific slots. Naturally, in Zigmond, an advertiser may want to select a particular ad relative to the content of the previously displayed ad. However, such disclosure does not mean that the advertiser in Zigmond ***purchases a specific slot or location***. Rather, this relied-on portion of Zigmond merely teaches that an advertiser may influence what advertisement follows a first advertisement having particular content. In fact, in Zigmond, it would be impossible for an advertiser to purchase a specific slot, since Zigmond’s system is premised on the application of ad selection criteria to determine which advertisement is displayed relative to the content of the previous advertisement.

Respectfully, the Examiner misreads Zigmond’s teachings in concluding that, by virtue of the contractual relationship” and the ability to influence when an ad is

displayed, the advertiser has the ability to purchase a specific slot. Not only is such a teaching not present in Zigmond, but the ability to purchase specific slots for advertisements is directly contrary to the teachings of the ad insertion device and ad selection criteria on which Zigmond is premised.

Therefore, neither of these cited portions of Zigmond, nor any other portion of Zigmond, teaches, suggests, or has anything to do with *the sale of a specific slot*. Accordingly, when combined with Guyot and Doherty, there cannot possibly any teaching of “selling specific queue slots”, as recited in Applicants’ independent claim 1. In claim 1, the queue comprises a plurality of queue slots; specific queue slots are sold, thereby enabling advertisers to purchase one or more specific queue slots within a queue.

Moreover, independent claim 1 recites that “the sold specific queue slots at least partially determine the order of the ARLs in said ordered list.” That is, in independent claim 1, the order in which the ARLs (or advertisements) are arranged within the queue is partially dependent on which specific queue slot was sold for that advertisement. Zigmond does not teach or suggest such a concept. As such, Zigmond does not teach or suggest the features of independent claim 1 as contended by the Examiner.

#### ***Guyot Does Not Teach or Suggest Selling Specific Slots in a Queue***

Similarly, Guyot also does not teach or suggest “selling specific queue slots, wherein the sold specific queue slots at least partially determine the order of the ARLs in said ordered list.” Although Guyot teaches a queue of targeted ads that specifies (to some degree) the order in which those ads are displayed to the user, there is no teaching in Guyot that any of the queue slots are sold to advertisers. Rather, similar to Zigmond, Guyot teaches that advertisements include certain criteria, such as the number of times an advertisement may be displayed, certain time periods during which an ad may be displayed, or whether an ad is a “screen saver” ad. In Guyot, advertisers are billed based on advertisements that are displayed to users. Thus, Guyot does not teach or suggest that specific queue slots are sold. Guyot therefore, does also not teach or suggest that “the sold specific queue slots at least partially determine the order of the ARLs in said ordered list,” as recited in independent claim 1.

***Doherty Does Not Teach Selling Specific Slots in a Queue***

The Examiner relies on Doherty for the proposition that, “locations in the ordered list are sold to advertisers...and wherein the sold locations at least partially determine the order of the ARLs in said ordered list,” citing paragraphs 40, 46, 48 and 49 of Doherty. The Examiner thus seemingly suggests that, because Doherty teaches a queue or an ordered list of advertisements and a priority profile to determine which ad to display at any given time, Doherty therefore teaches that locations in Doherty’s queue are sold to advertisers.

However, these portions of Doherty simply teach that an advertiser has the ability to influence when an advertisement is displayed, by altering the “advertising premium”, which in turn affects the “priority profile”. Thus, Doherty certainly does not teach or suggest selling specific queue slots to advertisers. In traditional ad display schemes (such as Doherty), it is the opportunity to have one’s advertisement displayed to consumers that is sold – not the sale of specific queue slots or locations. Accordingly, Doherty does not teach or suggest the sale of queue locations, as argued by the Examiner.

***The Proposed Combination Does Not Teach “Selling Specific Queue Slots”***

As set forth in the Declarations of the Charles A. Eldering and Bernardo Paratore submitted herewith, and in view of the foregoing, the combination of Zigmond, Guyot and Doherty, even if proper, fails to teach or suggest all of features of independent claim 1. Specifically, the combination of Zigmond, Guyot and Doherty does not teach or suggest “selling specific queue slots, wherein the sold specific queue slots at least partially determine the order of the ARLs in said ordered list.” As discussed above, none of the applied references teaches or suggests the concept of selling specific slots generally or in a queue. Thus, the combination of Zigmond, Guyot and Doherty is also lacking at least this feature.

The Examiner argues that simply modifying Zigmond's system with Doherty's queue (as also modified by Guyot) results in Applicants' claimed invention, since in Zigmond as modified, "an advertiser may purchase a specific queue slot (i.e., the slot immediately after a competitor's slot)..." (Final Office Action, pages 2 – 3). However, the mere fact that Zigmond selects a new advertisement based on ad selection criteria does not mean that Zigmond as modified by the Examiner's proposed combination would teach selling specific slots in Doherty's queue. Zigmond and Doherty simply do not teach or suggest the sale of specific slots. Thus, even if Doherty's schedule is incorporated into Zigmond's system, **it cannot be inferred from such a combination – nor would it have been obvious to one skilled in the art – that specific slots would be sold at all, let alone specific slots in the included schedule or queue.** The Examiner is simply not entitled to assume that there would be any modification of Zigmond's ad selection system to permit the sale of specific slots simply because Doherty's schedule is now resident in Zigmond's system. Accordingly, Applicant respectfully submits that the combination of Zigmond, Guyot and Doherty does not result in all features of the claims.

### ***The Claimed Invention Resulted from Long-Felt Need***

As set forth in MPEP §716.04, long-felt need and failure of others is a relevant factor in considering non-obviousness of a claim. Applicants have submitted herewith the Declaration of Charles A. Eldering, which explains that the claimed invention is not disclosed in the prior art and would not have been obvious to those skilled in the art, in part because the claimed invention fulfills a need unmet by the prior art and the advertising industry at the time of the present application. Accordingly, Applicants respectfully submit that independent claim 1 is non-obvious over the proposed combination.

## **2. No Desirability to Combine the References**

In KSR, the Court stated that it was "important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the [prior art]

elements” in the manner claimed. *KSR Int’l Co. v. Teleflex Inc.* 127 S. Ct. 1727 (U.S. 2007). The Court noted, “[t]o facilitate review, this analysis should be made explicit.” See KSR. It is important to determine whether there was an “apparent reason to combine the known elements in the fashion claimed by the patent at issue.” See KSR. Therefore, the Examiner must identify the reason(s) why a person of ordinary skill in the art would have combined the prior art elements in the manner claimed.

Applicants respectfully submit that the Examiner has not established, nor is there, a reason on an objective teaching in Zigmond, Guyot, Doherty or in the knowledge generally available to one of ordinary skill in the art that suggests the desirability of combining these references. The Examiner has merely suggested that one of ordinary skill in the art would combine Guyot and/or Doherty with Zigmond to “better control the output and updating of advertisements,” and “allowing the system provider additional revenue while allowing advertisers to control the display of their advertisement as desired” (Final Office Action, page 6). However, such a teaching or motivation is not found in any of the references. Merely pointing out the existence of particular teachings in one reference is not sufficient to establish that there would be a motivation to combine that reference with another. The burden is on the Examiner to provide a convincing line of reasoning, based on knowledge generally available to one of ordinary skill in the art, established scientific principles or legal precedent, that there would have been a motivation to combine Zigmond and Doherty. *See* MPEP 2144.

Moreover, there is no suggestion or any objective teaching in Zigmond to suggest the addition of an ordered list or queue to Zigmond’s system, nor would one skilled in the art necessarily think to add a schedule or queue to Zigmond’s system, as taught by Doherty and/or Guyot. Zigmond’s system does not need nor contemplate the need for an ordered list or queue of advertisements.

Zigmond’s system also already has the ability to select the desired advertisement(s) “on demand”, thereby obviating the need for a schedule or queue as proposed by the Examiner. There is simply no reason to add a schedule of ads to Zigmond’s system. The whole purpose of Zigmond’s ad selection and insertion system is to be able to select the ad that is best suited for insertion at or near the time of insertion –

not prepare a schedule of ads in advance as advocated by Doherty and the Examiner. As such, one skilled in the art would not think to add a schedule tat includes a priority selection system as taught by Doherty to Zigmond's system. Due to these conflicting teachings, the combination of the Zigmond and Doherty is not a product of "common sense," as required by KSR.

In dismissing Applicants' arguments concerning the reason to combine the references, the Examiner has selectively considered the ad selection system taught by Zigmond and ignored the context in which it functions. The Examiner has seemingly ignored the "Basic Considerations Which Apply to Obviousness Rejections," that instruct the Examiner that "[t]he references must be considered as a whole and must suggest the desirability and thus the obviousness of making the combination," (see MPEP 2141). Further, MPEP 2141.02 instructs that "A prior art reference must be considered in its entirety, i.e., as a whole, including portions that would lead away from the claimed invention."

Furthermore, the inclusion of Doherty's schedule in Zigmond would effectively change the mode of operation of Zigmond, as Zigmond's system would be forced to use an ad schedule instead of an on-demand ad-selection process as disclosed. If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious. See *In re Ratti*, 270 F.2d 810, 123 U.S.P.Q. 349 (C.C.P.A. 1959); MPEP § 2143.01.

Additionally, one skilled in the art would not be motivated to combine the teachings of Guyot with the system taught by Zigmond. That is, the targeted advertisements in Guyot are not inserted into any type of program stream, whereas Zigmond's system inserts advertisements into program streams.

Accordingly, the Examiner's proposed combination of Zigmond, Guyot and Doherty is improper. Thus, independent claim 1 is believed to be allowable over the combination of Zigmond, Guyot and Doherty.



Independent claims 60 and 79 recite “selling specific queue slots, wherein the sold specific queue slots at least partially determine the ordered list of the advertisements within the queues.”

Independent claim 97 recites, “a plurality of queue locations forming an ordered list of advertisements...; selling one or more specific individual queue locations, wherein the sold specific individual queue locations at least partially determine the ordered list of the advertisements within the queues...”

For the same reasons discussed above with respect to independent claim 1, the combination of Zigmond, Guyot and Doherty does not teach or suggest all of the elements of independent claims 60, 79 and 97. Accordingly, independent claims 60, 79 and 97 are believed to be allowable over Zigmond, Guyot and Doherty, both individually and in combination.

Dependent claims 2, 7, 8, 10, 12-18, 62-78, 80-96 and 98-105 are allowable at least by their dependency on their respective independent claims 1, 60, 79 and 97. Reconsideration and withdrawal of the Examiner's section 103(a) rejection of claims 1, 2, 7, 8, 10, 12-18, 60 and 62-93 over Zigmond in view of Guyot and Doherty are respectfully requested.

The Examiner has rejected claims 3-6 and 9 as being unpatentable over Zigmond, Guyot and Doherty, and further in view of U. S. Patent No. 6,505,169 to Bhagavath *et al.* (“Bhagavath”). As discussed above with respect to the Examiner's obviousness rejection over Zigmond, Guyot and Doherty, independent claim 1 is believed to be allowable over the combination of Zigmond, Guyot and Doherty. Applicants respectfully submit that Bhagavath does not teach or suggest any of the elements missing from such combination. Thus, independent claim 1 is believed to be allowable over the combination of Zigmond, Guyot, Doherty and Bhagavath. Accordingly, claims 3-6 and 9 are allowable at least by their dependency on independent claim 1. Reconsideration and withdrawal of the Examiner's section 103(a) rejection of claims 3-6 and 9 over Zigmond, Guyot, Doherty and Bhagavath are respectfully requested.

*Conclusion*

In view of the foregoing amendments and remarks, Applicants respectfully submit that the Examiner's rejections have been overcome, and that the application, including claims 1-10, 12-18, 60 and 62-105, is in condition for allowance. Reconsideration and withdrawal of the Examiner's rejections and an early Notice of Allowance are respectfully requested.

Respectfully submitted,

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